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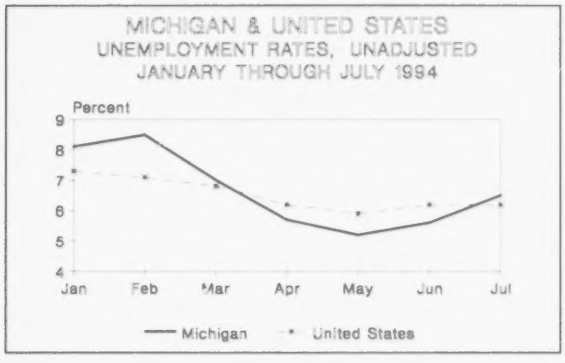
MICHIGAN'S LABOR MARKET NEWS

Volume 50 Number 7 *September 1994*

UNEMPLOYMENT UP IN JULY

The unemployment rate in Michigan advanced by 0.9 percentage points, as the jobless rate rose from 5.6 percent in June to 6.5 percent in July (unadjusted). This was the first increase in the unemployment rate in Michigan since February of 1994. This was also the first month since March 1994, in which Michigan's unemployment rate rose above the nation's rate. The U.S. jobless rate in July remained unchanged at 6.2 percent, despite small seasonal increases in the labor force.



During the month of July, the number of unemployed individuals in Michigan expanded by 46,000 to 316,000, while employment declined by 20,000 to total 4,518,000. The labor force increased during the month, reaching 4,834,000, a gain of 26,000 over June. The increase in unemployment occurred as summer jobseekers continued to enter the job market, while employment levels dropped in the motor vehicle and related industries.

SEASONAL DECLINE IN PAYROLL LEVELS

Michigan's wage and salary employment declined during the month, as total industry jobs fell to 4,072,800 in July. Employment opportunities decreased by 549,700 as losses were centered in both the service producing and goods producing sectors. Service producing employment fell by 44,300, primarily due to seasonal reductions, as local educational institutions dropped payroll levels for the summer vacation period. Goods producing jobs fell by 10,300, due to seasonal layoffs in the automotive and related industries, as plants closed temporarily for annual model changeover.

In July, the average hourly earnings in the state's manufacturing industries declined by 8 cents to $16.07, while the average workweek fell to 42.9 hours from 44.6 hours the previous month. The loss reflected less overtime in the transportation equipment and related industries. As a result, average weekly earnings in manufacturing reached $689.40, a drop of $30.89 from June's total.

HOURS AND EARNINGS
MICHIGAN

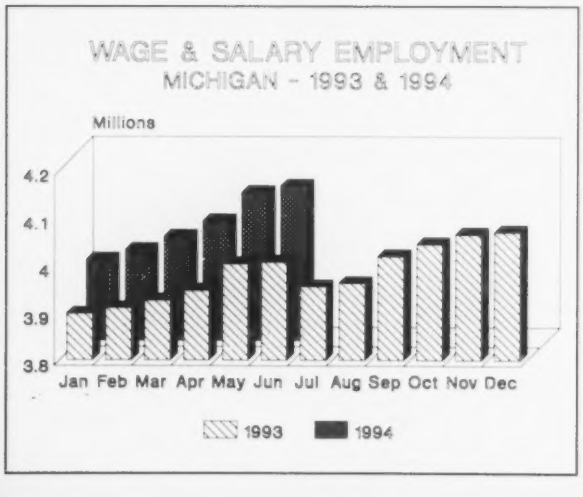
	Average Hourly Earnings		Average Weekly Hours	
	1994		1994	
	Jun.	Jul.	Jun.	Jul.
Manufacturing	16.15	16.07	44.6	42.9
Durables	17.21	17.20	45.3	43.4
Motor Vehicles	21.24	21.48	47.1	44.3
Nondurables	12.72	12.62	42.4	41.5

WAGE AND SALARY EMPLOYMENT
MID - YEAR REPORT
MICHIGAN, 1994

Wage and salary employment in Michigan advanced steadily throughout the first six months of 1994, averaging 4,043,600, an increase of 96,700 or 2.5 percent over the same period in 1993. Employment opportunities expanded in both the goods producing and service producing sectors of the economy.

Employment in the goods producing industries totaled 1,065,100, an increase of 35,900 or 3.5 percent over last year's January through June period. The highest percentage gains (5.0 percent or 6,000 new openings), were recorded in construction, while manufacturing industries advanced by 30,100 or 3.3 percent over last year's total. Transportation equipment exhibited steady signs of recovery, adding 10,800 jobs or 3.8 percent over the same period in 1993. Nondurable goods continued its solid expansion observed in recent years, increasing employment by 6,200 positions or 2.7 percent.

The service producing industries accounted for most of the advance in wage and salary employment. Over the first six months of 1994, employment opportunities increased by 60,800, as gains were centered mainly in private services (business, health and social services), and retail trade (eating and drinking places as well as general merchandise and department stores). The private service industry sector gained 38,300 or 3.8 percent of last year's total, while retail trade added 20,200 jobs or 2.8 percent. Total government employment remained virtually unchanged, averaging 646,100.



	Michigan (Data in Thousands)		
	Jul 1994	Jun 1994	Jul 1993
Place of Residence			
Labor Force	4,834	4,808	4,834
Employment	4,518	4,538	4,457
Unemployment	316	270	377
Rate (Percent)	6.5	5.6	7.8
Place of Work			
Total Employment	4,073	4,128	3,954
Goods Producing	1,093	1,104	1,044
Const. & Mining	165	157	158
Manufacturing	928	947	885
Durable Goods	685	705	652
Primary Metals	36	37	35
Fabricated Metals	117	122	112
Trans. Equip.	284	296	268
Nondurable Goods	243	242	234
Food & Kindred	46	43	47
Other Nondurable	197	199	187
Service Producing	2,979	3,024	2,910
Tran. Comm. Util.	161	162	158
Wholesale Trade	202	203	199
Retail Trade	770	772	745
General Merch.	120	121	117
Eating & Drinking	279	278	270
Fin. Ins. Real Est.	199	198	196
Finance	84	85	83
Services	1,071	1,068	1,028
Business Services	224	222	205
Health Services	341	339	332
Other Services	506	507	491
Government	577	621	584
Federal	57	57	57
State	149	149	150
Local	371	415	377
Labor Disputes	1.2	0.7	0.2

MAJOR LABOR MARKET AREAS

UNEMPLOYMENT UP IN MAJOR LABOR MARKET AREAS

The jobless rate rose in all but one of Michigan's labor market areas, as workers looking for summer employment continued entering the labor market and outpaced seasonal employment gains in construction, amusement, recreation, hotels, and eating and drinking places. Only the Upper Peninsula, responding to seasonal influx of tourists, showed a decline in its unemployment rate during July. As expected, total employment levels were down in most areas during the month as short term job losses in the education and automotive and related industries more than offset seasonal gains in the construction and private services industries.

Among Michigan's major areas, Lansing had the lowest unemployment rate at 4.3 percent, followed by Ann Arbor and Grand Rapids areas with 4.6 and 5.2 percent, respectively. The Flint area had the highest rate at 9.3 percent. The Flint and Detroit areas experienced the largest rate increases in July, as unemployment in both areas climbed by 1.4 percentage points. Both areas have large auto industry concentrations and were affected by the industry's reduced activity during the month.

SEASONAL DECLINES PUSH PAYROLL EMPLOYMENT DOWN

Total wage and salary employment was down in eight of the 10 major labor market areas. Employment losses were reflected in both the government and goods producing sectors of the economy. Local government employment declined as educational facilities continued to reduce employment levels during the summer recess period. In the goods producing industries, employment decreased as a result of temporary layoffs in the automobile and auto-related industries. Among the state's major areas, Flint experienced the largest percentage drop at 2.4 percent, followed by Lansing with 2.0 percent. Only the Upper peninsula and Benton Harbor exhibited small increases for the month.

During July, the average hourly earnings in the manufacturing industries dropped in five out of the 10 major labor market areas in Michigan. The losses were due to seasonal declines in the automotive and related industries. The average workweek moved down in seven major areas over the month, causing average weekly earnings in eight areas to fall. The largest losses were reflected in the Saginaw-Bay-Midland and Lansing areas with decreases of $117.47 and $110.30, respectively.

MANUFACTURING HOURS AND EARNINGS
Major Labor Market Areas
June and July 1994

Area	Average Weekly Hours		Average Weekly Earnings		Average Hourly Earnings	
	June	July	June	July	June	July
Ann Arbor	45.2	42.5	753.48	716.12	16.67	16.85
Benton Harbor	42.9	43.3	492.06	509.21	11.47	11.76
Detroit	46.0	44.4	792.12	779.22	17.22	17.55
Flint	48.5	47.7	1072.33	1057.99	22.11	22.18
Grand Rapids	42.6	42.3	562.75	543.13	13.21	12.84
Jackson	42.6	43.2	495.44	488.59	11.63	11.31
Kalamazoo	44.6	42.9	675.69	631.06	15.15	14.71
Lansing	45.8	41.4	824.86	714.56	18.01	17.26
Saginaw	46.5	42.3	841.65	724.18	18.10	17.12
Upper Peninsula	40.3	41.3	442.49	457.19	10.98	11.07

Civilian Labor Force and Wage & Salary Estimates

	Flint			Grand Rapids - Muskegon			Jackson		
	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993
Place of Residence									
Labor Force	198,900	198,700	201,800	529,300	528,600	525,100	74,900	74,900	75,000
Employment	180,500	183,000	180,300	501,900	504,300	491,200	70,000	70,200	69,100
Unemployment	18,400	15,800	21,500	27,400	24,300	33,900	4,800	4,700	5,900
Rate (Percent)	9.3	7.9	10.7	5.2	4.6	6.4	6.4	6.2	7.9
Place of Work									
Total Employment	163,900	167,900	161,300	475,400	481,900	458,700	56,200	56,900	54,700
Construction & Mining	6,000	5,300	5,600	22,200	21,400	20,800	1,900	1,800	1,700
Manufacturing	45,900	47,500	44,800	140,400	141,300	132,400	12,700	12,800	12,000
Tran., Comm. & Utilities	4,200	4,200	4,600	17,300	17,400	17,000	3,600	3,700	3,600
Wholesale Trade	6,700	6,900	6,900	30,200	30,100	29,700	2,200	2,200	2,200
Retail Trade	33,300	33,100	32,900	84,400	85,500	83,700	11,600	11,500	11,400
Fin., Ins. & Real Estate	6,500	6,400	6,300	19,600	19,400	19,300	1,900	1,900	1,900
Services	41,600	42,000	40,400	116,000	116,100	111,600	12,900	13,000	12,500
Government	19,700	22,400	19,700	45,300	50,800	44,200	9,300	10,000	9,400
Labor Disputes	0	0	0	200	200	100	100	100	0

	Upper Peninsula			Grand Traverse LMA			Alcona-Iosco LMA		
	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993
Place of Residence									
Labor Force	158,300	156,000	156,800	71,100	68,700	69,800	16,200	16,100	16,000
Employment	146,400	143,500	143,800	67,400	65,200	65,200	14,600	14,600	14,000
Unemployment	11,800	12,500	13,000	3,700	3,500	4,600	1,700	1,500	2,000
Rate (Percent)	7.5	8.0	8.3	5.2	5.0	6.6	10.1	9.3	12.4
Place of Work									
Total Employment	126,800	125,800	123,200	57,800	56,300	55,100	10,400	10,600	9,900
Construction & Mining	8,900	8,600	8,900	5,100	5,100	4,900	600	600	600
Manufacturing	15,900	15,800	15,500	7,600	7,400	6,800	2,000	2,100	2,000
Tran., Comm. & Utilities	6,000	5,900	5,900	2,000	1,900	2,000	600	600	400
Wholesale Trade	3,500	3,500	3,400	2,000	2,000	1,900	100	100	100
Retail Trade	27,400	26,900	26,200	14,000	13,400	13,500	2,500	2,400	2,400
Fin., Ins. & Real Estate	4,400	4,400	4,400	2,200	2,200	2,100	400	400	400
Services	28,400	27,600	27,000	18,300	16,900	17,200	2,100	2,000	2,000
Government	32,400	33,200	32,000	6,800	7,500	6,700	2,200	2,400	2,100
Labor Disputes	0	0	0	0	0	0	0	0	0

Civilian Labor Force and Wage & Salary Estimates

	Ann Arbor			Benton Harbor			Detroit (Data in Thousands)		
	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993
Place of Residence									
Labor Force	281,100	281,300	281,100	84,300	83,400	84,600	2,170	2,154	2,172
Employment	268,200	271,300	266,800	79,100	78,400	78,100	2,021	2,037	1,990
Unemployment	12,900	10,000	14,300	5,200	5,000	6,500	148	117	182
Rate (Percent)	4.6	3.5	5.1	6.2	6.0	7.6	6.8	5.4	8.4
Place of Work									
Total Employment	242,600	247,000	238,800	68,700	68,400	67,200	1,916	1,946	1,862
Construction & Mining	7,200	7,000	7,000	2,100	2,000	2,000	68	63	63
Manufacturing	53,400	54,500	51,500	20,800	20,600	20,200	424	435	400
Tran., Comm. & Utilities	5,400	5,400	5,400	2,900	2,900	2,900	87	87	85
Wholesale Trade	7,700	7,600	7,400	2,300	2,300	2,300	113	114	112
Retail Trade	40,500	40,900	40,000	12,800	12,800	12,500	342	343	338
Fin., Ins. & Real Estate	9,600	9,600	9,600	2,600	2,600	2,600	110	110	109
Services	57,400	57,300	56,300	16,700	16,700	16,000	559	561	540
Government	61,300	64,600	61,700	8,400	8,600	8,700	213	233	214
Labor Disputes	0	0	0	0	0	0	0.9	0.2	0

	Kalamazoo - Battle Creek			Lansing			Saginaw - Bay - Midland		
	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993	Jul 1994	Jun 1994	Jul 1993
Place of Residence									
Labor Force	225,500	225,100	226,900	232,500	235,200	235,400	198,700	198,200	198,300
Employment	213,400	214,900	213,000	222,400	225,300	222,800	186,300	186,200	183,300
Unemployment	12,100	10,300	13,900	10,100	10,000	12,700	12,300	12,000	14,900
Rate (Percent)	5.4	4.6	6.1	4.3	4.2	5.4	6.2	6.1	7.5
Place of Work									
Total Employment	194,400	196,900	191,000	209,600	213,900	207,900	169,200	169,900	164,500
Construction & Mining	7,500	7,200	7,100	7,000	6,700	6,900	8,200	8,100	8,100
Manufacturing	50,100	50,300	49,000	28,800	29,700	28,200	42,000	41,600	40,500
Tran., Comm. & Utilities	6,400	6,300	6,300	6,400	6,400	6,400	6,400	6,500	6,600
Wholesale Trade	6,900	6,900	6,800	8,100	8,100	7,900	6,600	6,500	6,200
Retail Trade	36,000	36,400	35,600	39,600	39,700	38,900	36,700	36,800	35,700
Fin., Ins. & Real Estate	10,600	10,500	10,200	12,600	12,500	12,400	6,300	6,400	6,300
Services	47,300	47,300	46,100	49,300	49,500	48,200	42,000	41,800	40,800
Government	29,800	32,000	29,900	57,900	61,300	59,100	21,000	22,300	20,300
Labor Disputes	0	0	0	0	0	0	0	100	0

LABOR SURPLUS AREAS

Alcona County
Alger County
Alpena County
Antrim County
Arenac County
Baraga County
Battle Creek City
Bay City
Benzie County
Berrien County
Branch County
Burton City
Cass County
Charlevoix County
Cheboygan County
Chippewa County
Clare County
Clinton Township
Delta County
Detroit City
Dickinson County
Emmet County
Flint City
Gladwin County
Gogebic County
Grand Rapids City
Gratiot County
Highland Park City
Hillsdale County
Houghton County
Huron County
Inkster City
Ionia County
Iosco County
Iron County
Jackson City
Jackson County Bal.
Kalamazoo City
Kalkaska County
Keweenaw County
Lake County
Lapeer County
Lenawee County
Luce County
Mackinac County
Macomb County Bal.
Madison Heights City
Manistee County
Marquette County
Mason County
Mecosta County
Menominee County
Midland County Bal.
Missaukee County
Monroe County
Montcalm County
Montmorency County
Mount Morris Township
Muskegon City
Muskegon County Bal.
Newaygo County
Oceana County
Ogemaw County
Ontonagon County
Osceola County
Otsego County
Pontiac City
Port Huron City
Presque Isle County
Roscommon County
Roseville City
Saginaw City
Sanilac County
Schoolcraft County
Shiawassee County
St. Clair County Bal.
St. Joseph County
Tuscola County
Van Buren County
Warren City
Wexford County

IMPORTANT NOTICE: The Department of Labor issues the Labor Surplus Area listings on fiscal year basis. The listings become effective on October 1st and stay in effect through the following September 30th. Some significant changes were made in this year's listings. Seventeen areas were removed, and one added. The areas removed were: Barry County, Bay County Bal., Calhoun County Bal., Clinton County, East Detroit City, Ferndale city, Flint Township, Genesee County Bal., Grand Traverse County, Lansing City, Leelanau County, Lincoln Park City, Saginaw County Bal., Shelby Township, Taylor City, Waterford Township, Yipsilanti Township. The only area added was Kalamazoo City.

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